(d) what is the amount sacrificed through these compromises and giving details thereof bank-wise and sector-wise (industry, trade, agriculture, etc.)?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (d) Normally banks, after exhausting all even of recovery and to safeguard their interests and enforcement of suitably within the period of law of limitation, file suits for recovery of outstanding amounts remaining unpaid by the borrowers. Even after such filing of suits the banks are within their rights to seek out of court settlement of such cases based on their assessment and judgement. The information regarding the amount of cases disposed of outside the court is not generated by the Data Reporting System of the Reserve Bank of India (RBI), hence, it may not be possible to provide figures in this regard.

Government, have separately advised all the public sector banks in September 1991 to issue instructions to functionaries down the line in their banks to take up more and more bank loan cases before the Lok Adalats for early settlement. In addition, the Reserve Bank of Indian (RBI) has also advised India Bank Association to exhort member banks to bring loan recovery cases upto Rs. 2 lakhs to Lok Adalats and settle them through fair compromises. This would facilitate early settlement of all small disputes between the banks and the aggrieved parties.

Income Tax Collected From Professionals

64. DR. YELAMANCHILI SIVAJI: Will the MINISTER OF FINANCE be pleased to state what is the total income tax collected from professionals like Doctors, Architects, Auditors, Journalists, Artists, etc. giving State-wise details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M.V. CHANDRASHEKHAR MURTHY): The Record of collection of direct taxes are not maintained trade-wise/industry-wise or profession-wise. Therefore, it may not be possible to furnish the information regarding the total Income tax collected from Doctors, Architects, Auditors, Journalists, Artists etc.

Reserve Bank of India Guidelines on Bank Recoveries

65. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) what are the latest guidelines issued by the Reserve Bank of India to commercial banks to augment recoveries;

(b) what has been the impact thereof; and

(c) the steps taken to ensure implementation of these guidelines?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) to (c) Reserve Bank of India has issued various guidelines to the banks to minimise the amount of overdues and also to improve their recovery performance in respect of their advances to various sectors. Some of the important guidelines are as follow:—

1. Banks have been impressed upon to institute a viable recovery system with a view to help recycling the scarce resources of the banks to the needy and productive sectors of the economy on the one hand and to improve the profitability and viablity of the lending banks, on the other.

2. Introduction of comprehensive and uniform grading system to indicate the health of individual advances for the purpose of their effective

monitoring and follow up.

3. To Keep a watch on the recovey of top sticky accounts.

4. Taking corrective action where advances are found to have been sticky.

5. Recently, the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 has been enacted for expeditious adjudication and recovery of debts due to banks and for matter connected therewith or indicental thereto.

As a result of the follow-up of above guidelines, the rate of growth of Overdues of Public Sector Banks has come down from 30.9% in the year ending March, 1990 to 14.9% and 9.3% in the year ending March 1992 and 1993 respectively.

With a view to minimising, the incidence of overdues, Reserve Bank of India (RBI) conducts financial inspection of banks regularly. After every inspection the main findings are discussed by RBI with the Chief Executives of the banks. They are impressed upon to take all necessary steps to gear up the internal control machinery and to reduce the sticky/sick advances within a time bound programme. The banks are also required to submit their half yearly progress report to RBI indicating the progress in recovery regularisation of their sticky/sick advances.

Interest Component on Crop Loans/Term Loans

66. DR. YELAMANCHILI SIVAJI: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that Reserve Bank of India has stipulated that in case of crop loans/term loans of commercial banks to small and marginal farmers interest component should not exceed principal amount;

(b) if so, whether this stipulation of the Reserve Bank of India is implemented in Guntur and Prakasam Districts of Andhra Pradesh for cotton growers; and

(c) what is the regulating agency to ensure implementation of this stipulation?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE AND MINISTER OF STATE IN THE MINISTRY OF PARLIAMENTARY AFFAIRS (DR. ABRAR AHMED): (a) and (b) As per instructions of Reserve Bank of India (RBI) on interest due on agricultural advances, when crop loans or instalments under term loans become overdue, banks can add interest outstanding to principal and compound the interest. However, the total interest debited to an account should not exceed the principal amount in respect of short-term loans to small and marginal farmers. The above instructions are applicable to all crop all over India, including Guntur and Prakasam districts.

(c) There is a machinery at the regional offices of banks to look into the complaints from the borrowers and to verify that these guidelines are implemented by the branches in actual practice. In addition, RBI also looks into the compliance of the guidelines by Bank branches at the time of their inspection.

केन्द्रीय सरकार के कर्मचारियों के महंगाई भत्ते में वृद्धि

67 श्री विठ्ठलभाई माधवराव जाधव:
श्री जागीर सिंह "दर्द":
मौलाना ओबैदुल्ला खान आज़मी:

क्या वित्त मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या यह सच है कि 1 जनवरी, 1994 से केन्द्रीय सरकार के कर्मचारियों का महंगाई-भत्ता और बढ़ गया है; और

(ख) यदि हां, तो कर्मचारियों को इसका भुगतान कब तक कर दिया जाएगा?

वित्त मंत्रालय में राज्य मंत्री (श्री एस० बी० चन्द्रशेखर मूर्ति): (क) और (ख) मौजूदा अनुदेशों